

Exhibit 2: Method of Calculation**AK Steel Retirement Accumulation Pension Plan
Calculation of 417(e) Lump Sum and Underpayment**

Participant Name	Anonymous Class Member
Date of Birth	12/30/1946
Normal Retirement Date	01/01/2012
Lump Sum Date	05/01/2001
Calculation Date	12/31/2004
Total Prior Lump Sum Actually Paid	186,455.19

A. Opening Account

1. Account Balance at 5/01/2001	135,727.74
2. Interest Credit Rate	7.50%
3. Projection to Normal Retirement Date (1/01/2012)	293,614.99
4. Interest Rate for Annuity Conversion	7.50%
5. Straight Life Maturity Value at Normal Retirement Date	101.75
6. Annual Annuity at Normal Retirement Date (A3 / A5 X 12)	34,627.81

B. Future Account

1. Account Balance at 5/01/2001	50,727.45
2. Interest Credit Rate	5.49%
3. Projection to Normal Retirement Date (1/01/2012)	89,720.92
4. Interest Rate for Annuity Conversion	6.25%
5. Straight Life Maturity Value at Normal Retirement Date	110.48
6. Annual Annuity at Normal Retirement Date (B3 / B5 X 12)	9,745.21

C. 417(e) Lump Sum Determination

1. Total Annual Annuity at Normal Retirement Date (A6 + B6)	44,373.02
2. 417(e) Interest Rate for Annuity Conversion	5.78%
3. 417(e) Maturity Value for Straight Life Annuity Conversion	129.97
4. Lump Sum Payable at Normal Retirement Date (C1 X C3 / 12)	480,596.78
5. Present Value at Lump Sum Date	263,881.76

D. Calculation of Underpayment

1. 417(e) Lump Sum Amount (C5)	263,881.76
2. Prior Lump Sum Amount Actually Paid	186,455.19
3. Difference (D1 - D2), but not less than zero	77,426.57